

25¢



SEPTEMBER 1956

# Social Action

A Magazine of Christian Concern



**FARM PRODUCTION AND FARM SURPLUSES**

Benson Y. Landis

# Social Action

Vol. XXIII, No. 1

September 1956

## CONTENTS

Editorial	3
Farm Production and Farm Surpluses <i>By Benson Y. Landis</i>	6
Commentaries	
1. <i>By Leland J. Gordon</i>	16
2. <i>By Wesley A. Hotchkiss</i>	18
A Living Wage?	19
Research Foundation Takes a Look Ahead	20
Mr. Nixon Speaks to a Graduating Class	22
Labor-Management Relations in Germany	24
Arthur Miller and the Un-American Activities Committee	25
A Highly Important Book	26
Workshop	28

COVER: A photograph by Philip Gendreau, New York.

SOCIAL ACTION is published monthly except July and August by the Council for Social Action of the Congregational Christian Churches and by the Commission on Christian Social Action of the Evangelical and Reformed Church, 289 Fourth Avenue, New York 10, N.Y. Percy L. Julian and Elmer J. F. Arndt, Chairmen, Ray Gibbons and Huber F. Klemme, Directors, respectively.

Re-entered as second-class matter at the Post Office at New York, N.Y.

F. Ernest Johnson  
*Editor*

Elizabeth Henley  
*Assistant to the Editor*

## Editorial Board

A. William Loos  
*Chairman*

Mrs. Charles E. Bingham

Richard M. Fagley

Ray Gibbons

Huber F. Klemme

Albert J. Penner

Herman F. Reissig

Charles H. Seaver

Subscription, \$2.00 per year.  
Single copy, 25¢.

Copyright, 1956, by the  
Council for Social Action.

# Editorial

## Behind the Times

Now and then we are reminded that the "right of labor to organize" is, after all, not recognized throughout these United States. A federal court decision has just turned a searchlight on Carrollton, Georgia, where the City Council put a license tax of \$1000 on labor organizers and compelled them, under pain of fine or imprisonment, to pay a fee of \$100 a day! The International Union of Electrical Workers challenged the constitutionality of the ordinance, was turned down by the United States District Court in Atlanta, but was vindicated by the United States Circuit Court of Appeals, which declared the "license tax" exorbitant and punitive. Its purpose the Court said, as reported in a dispatch to the *New York Times*, seems to be "not to regulate but to prohibit."

Such occurrences help to explain the continued concern of organized labor for what it calls "union security." Even where collective bargaining is well established there often lurks a fear that any weakening of labor strength will result in the loss of elementary rights.

## The Letter and the Spirit

That Protestant leaders should be very sensitive on the church-state issue is something to be taken for granted. Yet it is a question whether the cause of religious freedom is served by an all-out, "utterly utter" opposition to every form of public aid to any kind of activity just because it is conducted under religious

auspices. What reasonable objection can there be to a subvention from a municipal or a state government to a child-caring institution under religious sponsorship in the form of payment on a per capita basis for care given to children who would otherwise be public charges?

And what can be said for a rigid insistence that no regard be paid to the religious affiliation of a probation officer who is put in charge of a delinquent youngster who has a definite religious background? To interpret discriminating judgment in such a sensitive matter as religious prejudice comes pretty close to being silly.

There are some very conscientious and tender-hearted Protestants who are so conditioned on the church-state issue that they would deny lunches provided by the National School Lunch Act, largely as a surplus-disposal measure, to children who happen to be in a non-public school. What a strain on logic and good sense fear and prejudice can create!

## Communist Enigma

Amid the many reactions to the sudden dethronement of Stalin in Soviet thought, policy making, and education there seems to have been little serious inquiry into its meaning in terms of political philosophy. It is all too easy to interpret what has happened as mere tactics—a politic adjustment to pressures within or without, or both—and to adapt for this purpose the ancient warning against "Greeks bearing gifts," and let it go at that.

The most superficial view is that since the ultimate purpose of Moscow is still to conquer the world for communism no change in counter policy is indicated. As Mr. Dulles pointed out years ago it is not the Soviet economic system that calls for armed resistance, but a Soviet imperialism which attempts to impose communism by force. To the extent that the Kremlin may be moving away from a strategy of force, something new has been added.

Even on the coldest "realistic" interpretation of the whole matter there is in it a lesson for Western policy. Granted that the so-called Russian "new look" is nothing more than a maneuver, it is, as Thomas K. Finletter has pointed out, by virtue of its lack of any authentic base, "vulnerable to a counter policy which is authentic." It would, he says, "be especially vulnerable to an American counter policy based on traditional American creeds." There is a sad disparity between our foreign policy as it looks to the Asians, for example, and what is symbolized by the Statue of Liberty!

But there is much more to the problem than this. Communism remains in large part a mystery to the Western democratic mind. Listen to Italian Communist Party Secretary Togliatti as he ponders what happened in the Soviet Union. In a recent magazine article, he points out that just as the Stalin cult attributed all that was good in society to the virtues of a man, so the current de-Stalinization attributes all that is bad in the national life to conspiracy and sabotage by evil men—a double fallacy.

On the contrary, the root evil is "the barrenness of activity of the masses in the locations and organizations (party, labor, factory, soviets)." To be sure, the communist system postulates a "ruling group." But what is its true function? This, says Togliatti:

. . . To re-educate for a normal democratic life on the model that Lenin established during the first years of the revolution; that is, to re-educate to take the initiative in the field of ideas and in practice, to be inquisitive, to engage in lively debate, to attain the degree of tolerance of errors that is indispensable for discovering truth, to attain full independence of judgment and of character, etc., etc., to re-educate thus a party framework of hundreds of thousands of men and women, through them the entire party and through the party an enormous country where living conditions still differ from region to region, is an enormous task which is not to be completed by three years of work nor by a congress.

Sooner or later we shall have to come to grips with the inner meaning of communism. Only so can we discover why it is attended by monstrous evils.

### **More About Neutralism**

The recent emergence of a difference of opinion between the President and his Secretary of State concerning neutralism should have been officially regarded as significant and instructive. Instead, it was treated as an unfortunate incident which had to be patched up. In our opinion the President's statement in defense of those nations which are not ready to take sides in the cold war

was one of the most statesmanly of his utterances. We in the United States, he said, should not forget that we were, as a nation, in the neutral category for much the greater part of our history. The imputation of moral delinquency on the part of a nation that is not ready to line up against the Soviet Union in a struggle for power, with a threat of nuclear war impending, is as far out of line ethically as it is diplomatically. Presumably, Mr. Dulles' second thought was more in harmony with the President's, but the issue raised is too important to be brushed aside.

There is much force in the recent comment of Walter Lippmann on the tendency to pass judgment on "neutrals as such and in the abstract." The root of the difficulty, he said, "has been the practice, unfortunately rather common in our inexperienced diplomacy, of trying to deal with specific and diverse and hard problems by sweeping them under the rug of a moral generalization. This is a political vice which can be, and frequently has been, ruinous to an effective and realistic and genuinely moral policy."

Barbara Ward, in a provocative article titled "Is Our Reappraisal Agonizing Enough?" in the *New York Times Magazine*, July 22, declares: "The Western powers do not always ask the fundamental question whether free nations are, as a result of aid, still free of Communist control and still solving their problems in their own way. Instead, we ask petulantly whether aided nations love the West, are 'on our side'—irrelevant questions since certainly we do not love them." Even the

blanket term "Moscow's satellites," the sober speaking London *Economist* suggests, may be misleading: "Now that the straitjacket is being lifted the behavior of each east European country must once again be looked at for itself."

Perhaps the most grievous single error in our posture with respect to international politics is the hostile attitude toward India's Nehru. His effort to hold the balance of critical judgment as between the United States and the Soviet Union—"two tremendous colossi" he calls them—is impressive. Of the United States he said recently: "It certainly has no desire to expand its territory but like all big powers they have the missionary spirit. They [the United States] expect others to follow their will. If they do not, they feel hurt and think something is wrong with the other man's thinking." This is a mild version of the judgment many of our own most thoughtful citizens have been constrained to make.

The popular clamor against Nehru was bound to have the unfortunate effect of obscuring Nehru's crucially important role in India. To quote Mr. Lippmann again, what Nehru is doing there is "to demonstrate that there is a humane and liberal alternative to the Stalinist way of developing a backward country. But for Nehru's India, backward countries would have no practical alternative model to that provided for them by Soviet Russia and Red China. This is why Nehru, far from being a stooge of Moscow, is the most formidable rival in Asia, indeed the only rival in Asia, of Khrushchev and Mao Tse-tung."

# Farm Production and Farm Surpluses

By Benson Y. Landis

RECENTLY an official of the United States Department of Agriculture stated to a committee of Congress that the Commodity Credit Corporation would soon have used some \$11,700,000,000 for loans against, and purchase of, farm products. He asked that the Corporation, which is administered by the USDA, receive authority to use \$14,000,000,000 of federal money for these operations, or \$2,000,000,000 above the previous maximum authorized by Congress. These huge sums are investments, not losses. Year by year accountings are made and actual losses determined, after the government agency sells or gives away the farm products acquired through the price-support program.

Many people make big issues of these developments. They occupied much of the time of Congress in the period, January to May, 1956, and they are figuring in the political campaigns now under way. As this is written Congress has authorized a soil-bank program acceptable to the President. The main purposes of the law are to take much good crop land out of commercial production, to aid in bringing production into balance with effective demand, and

to make payments to farmers for compliance with the new soil building program.

The farm legislation enacted during recent years has become more and more complex and technical, making understanding more and more difficult. It has been said that only a small proportion of the members of the staff of the U.S. Department of Agriculture are familiar with the technical details of these vast programs, and the same is true of the members of Congress. Also, many farmers know the parity price and the regulations for their own products—if there is a parity price for their crops—but probably little else of a technical nature. What can be said about the vast majority of the ministers and lay people in our churches? An attempt will be made here to sum up the main features of the present situation, of the programs under way, with their historical background, and of the schools of thought with respect to the issues posed.

---

Dr. Landis is editor of research publications of the National Council of Churches.

## The Main Aspects

The large price-support programs apply mainly to six products designated by Congress as "basic." They are cotton, rice, tobacco, wheat, corn, and peanuts. These are non-perishable crops that can be stored. There has also been a program for other products, e.g., butter, which can be stored for limited periods, but in the spring of 1956 the USDA announced that it no longer held any surplus butter. For the six basic crops, present laws state that there must be price supports, but they may be set at varying levels from 75 to 90 per cent of parity. For some years the mandatory price supports had been at 90 per cent of parity. Parity is an index of purchasing power. It is a statistical formula of the relation of the prevailing costs of farmers to the prevailing prices of products sold, compared with a previous period. The aim is to assure to the farmer a price that will be fair in relation to his price, compared with costs, in the previous period. Parity has been advocated by farmers' organizations since the depression of 1921, and it has been written into the various farm laws since 1933.

The method works as follows: Prior to the period of planting a crop, the Secretary of Agriculture indicates the support price. Farmers wishing to cooperate are notified concerning the terms under which loans, called non-recourse loans, can be made. Agreements with respect to loans are signed. On harvesting the crop, storage is arranged, sometimes under seal on the farm. If the market price at the time of sale drops

below the support price, the farm producer is nevertheless assured of a return equal to the support price. The net effect, in short, is to guarantee to the cooperating farmer a "floor," or a minimum rate of payment for the crop.

The Eisenhower Administration introduced the *flexible* price supports, but only after continuing the fixed supports at 90 per cent of parity during its first two years. The flexible features went into effect only with the crop year 1955. Judging by the holdings of the Commodity Credit Corporation, the overall volume of surpluses continued to increase during the period of flexible supports. The main problem areas seem to be cotton and wheat, where the volume of production has been very high in relation to effective demand. The new soil bank, some of its sponsors hope, will be effective in reducing this production.

Marketing quotas—the most rigid form of control of production—are imposed only after approval in a referendum in which growers may participate. The government then enforces compliance with the quotas imposed. Growers have generally approved quotas in these referenda, because the alternative would be a relatively low price support.

## The New Soil Bank

As this is written, administration of the new soil-bank program is in the early stages. President Eisenhower first asked for it in mid-January of 1956, a few months after officials of the USDA had publicly declared they were opposed to it. However, there were many versions of a soil-

bank plan current at the time. Mid-January was late, considering the time necessary for Congressional action, if the 1956 crops were to be affected. A Democratic Congress, with interest in restoration of high and rigid price supports, first gave the President a bill he disliked. He finally signed a version of it in May, permitting little time for effective application of the plan in 1956, except by plowing under certain crops already planted. A warm issue, at present, is whether or not the early stages of the soil bank would call for *extensive* plowing under.

The soil bank is not novel. It merely extends a national program of encouragement of soil conservation that goes back to small experiments begun under President Hoover, and was broadly expanded under President Roosevelt. The projects got on to a grand scale with the revised Agricultural Adjustment Act of 1935, which succeeded the original law of 1933 that the Supreme Court held to be invalid. The soil bank thus supplements an older soil conservation program and the various price-support operations. The soil bank will be created by means of voluntary contracts made between the Secretary of Agriculture and those farmers who choose to commit portions of their lands to certain limited soil-building operations. In some sections, reforestation will be widely encouraged by the new plan. The main aim is to keep the diverted acres removed from *commercial* production. The Secretary of Agriculture is given wide discretion in carrying out the program, and the amount of payment

per acre will vary in accordance with local situations. The total cost of the entire program, per year, may eventually be \$1,200,000,000, over and above the cost of other federal programs for agriculture.

### **Why These Programs?**

Why this extensive federal intervention? Why not move toward more reliance on the free market? Possibly a few references to history will reveal why price supports and soil conservation are favored on both sides of Congressional aisles. The issue in Congress is not price supports or their abolition, but rather what type of price supports, and how high.

Farm producers are always concerned with two sets of prices: those received and those paid. They have been much affected the past few decades by wide fluctuations in the prices in the market place, particularly in the prices of what they sell.

Farmers note a tendency for their costs of production to be fairly rigid. They cite freight rates, local real estate taxes, costs of seed and fertilizer, the wage rates of workers, and other items. With costs "high and rigid," some farm groups feel they have a good case for price supports high and rigid, although obviously farmers are much divided on this question. The political campaigns of 1956 may give a clearer answer than is now obtainable concerning farmer attitudes.

### **The Big Gap**

Farmers note a tendency for the costs of distribution to remain steady, or relatively high, even when their

own returns decline. There is a "tendency for changes in retail prices to lag behind changes in farm prices," it is stated conservatively in a USDA pamphlet, *Pork Marketing Margins and Costs* (Washington, 1956). "The most rapid drop in hog prices ever recorded in the U.S. for any six-month period took place from June to December 1955." In that period the prices farmers received for hogs sold declined 28 per cent. Consumers paid only 7 per cent less for pork. Those who handled and processed pork received 20 per cent more at the end of the six-month period than at the beginning. Stated in other words, in June 1955 farmers received 57 per cent of the consumer's pork dollar; in December they were getting only 44 per cent.

Other price-spread studies have come from USDA in 1956. Consumer prices of bread have increased every year since 1946. In 1955 consumers were paying 70 per cent more than in 1946 for a loaf of bread. Of the consumer's bread dollar, farmers got 25 per cent in 1946, and 18 per cent in 1955. The costs of distribution had moved rapidly upward.

For beef there is much the same account. Farmers' cattle prices have dropped since 1952, costs of distribution have been rising, and retail prices have not dropped as much as farm prices. With falling prices, farmers produced a record-breaking volume of beef for market in 1955.

The USDA keeps records for what it calls the "food market basket." In 1948 the farmers' share of what this broad list of foods cost was 50 per cent. In February, 1956, it was only 39 per cent.

### **Wanted: Social Standards**

Price support programs may be called part of the farmers' search for social standards. Among these "price stability" is one of the goals. Price supports have also been called the farmers' equivalent of minimum wage laws or of collective bargaining.

Other factors of importance are remarkable advances in applied science and in technology. "We reduced cotton acreage in 1955 and got a large crop nevertheless," an economist in USDA told a seminar on "The Christian Farmer and His Government," convened by the National Council's Department of the Church and Economic Life, in Washington, February 1956. Something in the nature of a technological revolution is taking place in farm production. Farmers get many more eggs per hundred pounds of feed than they got in 1926. Great progress has been made in control of animal diseases and of pests that destroy crops. The average size of farms grows larger, although most farms are still family-type units, and most farm production comes from family farms. (Large-scale corporation farming is still found mainly in certain regions and crops.) Wide use of machinery and of electrical power on farms has contributed to the large volume of farm production.

### **Opposing Schools of Thought**

Recently a member of Congress from a Middle Western farm state found farmers among whom he conducted a poll very much divided in their attitudes toward federal farm programs. There were those who said

they wanted no price supports. And many of the farmers have none. A Congressman from Maine recently told a group of church people that there were no price support programs for crops produced for market in his state. There were those who were vehemently for 90 per cent rigid price supports. And there were those who thought the whole future depended on having price supports flexible.

Advocates of flexible price supports sometimes say that they take this position because they wish to move toward more reliance than at present on the free market. They urge that when volume of production is too great the level of price supports should be reduced, so as to discourage production and aid in bringing it into conformity with effective demand. They also stress their general interest in freedom, and in economic freedom particularly. They claim that high and rigid price supports lead to more government control over production, and thus to general "regimentation."

Persons who say that relatively high and rigid price supports are just often point to high and rigid costs as the controlling reason. They say that rigidities are found in many sectors of the economy. They point also to an extensive government role in other businesses than farming. They allege that the huge defense program has become indirect price support for large sections of American industry. They say that organized labor is insisting that advances in industrial productivity shall go quickly to workers in the form of

higher wages and not to consumers generally—including farmers—in the form of lowered prices. Thus many farm leaders do not see convincing evidence that the things they buy are greatly influenced by the traditional free market. They also allege that low price supports do not result in a lowered volume of farm production—and they cite illustrations of exactly the opposite effect. Some of these people also believe that in many circumstances governmental control over farm production has become a necessity in the present situation.

### **Disposal of Surpluses**

The large surpluses may be disposed of by various means, and year by year Congress adds to the authorized methods.

One way that has been increasingly used is the donation of surplus foods to agencies engaged in relief abroad and to social agencies and charitable institutions in this country. In April 1956 the USDA announced that it had given to such organizations 1,400,000,000 pounds of surplus commodities in the nine months ended March 31. Of this amount 40 per cent went through organizations and institutions in the United States, the remainder to relief agencies engaged in aiding needy persons abroad. Among these are the Roman Catholic, Jewish, and Protestant agencies.

Forty-eight voluntary organizations engaged in foreign aid reported that they had distributed abroad in the calendar year 1955 surplus commodities valued at \$175,000,000. This is, however, only a small per-

centage of the holdings of the federal government. In the spring of 1956, the Department of Agriculture was stepping up gifts for foreign aid more rapidly than its disposal through charitable agencies at home.

### **School Lunches**

The national school lunch program, begun on a temporary basis in 1935, and established permanently by legislation in 1946, has been the outlet for much surplus food. The federal government has been making some \$85,000,000 a year available in the form of grants-in-aid to the states to provide lunches for children in public and private schools. A relatively recent special feature is an annual federal appropriation of \$60,000,000 to supply milk for school lunches.

### **Christian Rural Overseas Program**

The Christian Rural Overseas Program (CROP), administered by Church World Service, is a department of the National Council of Churches; it is now receiving about \$1,000,000 worth of food and fiber a year in contributions from American farmers for shipment to needy persons abroad. CROP also ships surplus foods given by the federal government.

An example of this procedure comes from Houston, Texas. On April 26, a shipload of grain given by the federal government through Church World Service left that port, destined for Piraeus, Greece. The shipment consisted of 1,000,000 pounds of rice and 200,000 pounds of wheat, to be distributed to persons who were victims of last win-

ter's cold-wave and blizzards in the villages of Northern Greece. Spring came to Europe accompanied by the after effects of a very severe winter. Numerous floods and landslides damaged many villages. The church relief agencies began to assemble food and clothing for the victims. Much of the food came in the form of gifts from the government's surplus.

### **Freight Subsidies**

For some years the federal government has also paid the ocean freight on private relief shipments. As the volume of gifts of surplus foods from USDA increased, so did the ocean freight charges. One result was that a warm issue has developed over the amount of money Congress would appropriate for ocean freight on surpluses being donated to voluntary agencies. The relief agencies asked Congress for \$30,000,000. The International Cooperation Administration, which controls the payments of ocean freight, recommended \$13,400,000.

### **Use of Foreign Currencies**

Another large program, in effect for only a few years, permits the sale of surplus commodities to foreign governments for payment in foreign currencies rather than in dollars. The foreign currencies are then used in the various countries purchasing the products for payment of certain of the obligations of the United States, including supplies for defense. By a round-about process, surplus food is thus exchanged for minerals or other materials to be used for arms, and many related purposes.

## **"Dumping"**

The Act of 1956 establishing the soil bank requires the executive branch of the government to dispose of surplus cotton at prices below the prevailing levels of the markets of the world, thus changing a foreign trade program that called for more orderly disposal of farm surpluses abroad. While approving the farm bill, President Eisenhower issued a statement indicating his belief that the new policy could result in a serious setback to a policy which had called for strengthening the free world. The Act also called upon the President to negotiate agreements to limit certain imports of farm products beyond the procedures established by the reciprocal trade agreements legislation. Congress has been in a mood to dispose of surpluses and has appeared willing to disrupt international trade in the process. Congress has also appeared to be more willing to have surpluses given away than during prior years.

## **The World Food Situation**

Our own situation is, of course, closely related to that of the world at large. Our foreign trade depends on the purchasing power of the trading nations. Many nations have a high proportion of their people engaged in agriculture, and a primitive agriculture is the prevailing pattern in large portions of the world. Among these people living by a primitive agriculture are also many of the world's hungry ones. Officials of the Food and Agriculture Organization of the UN have estimated that more than half of the earth's

population can be called "hungry."

Conclusions of members of the 1955 Conference of the Food and Agriculture Organization with respect to the world food situation were summed up in a recent *US-FAO News Letter*, issued by the North American Office of FAO, Washington, from which we quote:

*World per capita agricultural production* has regained its pre-war level despite a drop of from 10 to 15 per cent at the end of the war and an increase of nearly 25 per cent in world population. *But* production has increased more rapidly in advanced countries than in underdeveloped ones, so that per capita production in Asia and Latin America is still below pre-war, while surpluses have built up in the more advanced countries.

Thus the situation in 1955 *was basically the same as in 1953*, with surpluses in some countries and continuing undernourishment in others. This, the conference concluded, was due to a failure to expand effective demand for farm products as rapidly as technical developments made it possible to expand production.

## **Consumption Standards**

The delegates concluded, therefore, that it was important to give much greater attention to *raising consumption levels*. They adopted a resolution calling on governments to examine their policies affecting consumption levels and nutritional needs. The resolution also asked the Director-General to examine the structure of distribution costs and ways of reducing them, and to aid member governments in strengthening consumer education and in increasing the efficiency of marketing foods and agricultural products.

Along with greater attention to expanding consumption, in order to improve nutrition and utilize abundant production, the conference recommended action aimed at *preventing development of additional surpluses*. It recognized that further expansion of production was essential in view of the rapid growth of population and rising standards of living, but stressed, as it had at the conference two years ago, that any further expansion should be selective, taking into account both expected market demand and nutritional needs.

The conference also flagged the problem of matching production and demand. Member governments were reminded of their responsibility to help farmers adjust their output, particularly by removing such obstacles as restrictive trade practices and by modifying price policies favoring expansion in directions where it was no longer required. The warning in Secretary Benson's statement against uneconomic production springing up in some countries under the umbrella-like protection of the United States price support program is reflected in the conference's conclusion that 'an expansion of production, particularly for export, which had developed primarily under the shelter of high support prices in other countries was likely to be precarious.'

Recognizing that flexibility of production was governed in some cases by various systems of supporting agricultural prices, the delegates agreed to ask the Director-General to bring together a group of experts nominated by their governments to study various methods of maintaining farm incomes, their effectiveness, and effect on flexibility of production, consumption levels, and levels of international trade.

## A "World Food Bank"?

In the spring of 1956, a subcommittee of the Senate Committee on Foreign Relations held hearings on two resolutions, S. 85 and S. 86, which would provide for negotiations between the United States and other free nations for the purpose of drafting a specific plan and agreement for the creation of an International Food and Raw Material Reserve (or "world food bank"). The plan and agreement to be developed would then be presented to Congress for approval. Proponents of the resolutions, which differ only in terminology, believe that the effective establishment of an international food reserve would greatly strengthen the position of the United States among the people of Asia, Africa, the Middle East, and Latin America, who do not have abundant food. They allege that our food reserve might be used toward the building of world peace and encouraging expansion in the so-called underdeveloped nations. Specifically they hope to provide means whereby international cooperation might stabilize farm prices, facilitate world trade, and increase consumption. The precise techniques would be spelled out later.

## The Challenge of the Surpluses

One may hear most diverse comments on the food surpluses—in Congress, among farm organizations, in urban and suburban communities, and in church circles. One may hear that there are simply too many farmers, and that technical improvements will merely accelerate the his-

toric movement of people from the land. If that is the case, others remark, then we might step up the "technical assistance" available for those who wish to leave farming and go into other occupations, and also the technical aids for those who wish to stay in farming. This is what Secretary Benson and others have advocated in the form of a special program for low-income farmers. The USDA had only pilot operations, in some 40 counties, underway in 1956.

Others see the large food reserve as desirable. They say it is at least as appropriate as the government stockpile of minerals worth over \$6,000,000,000 reported in 1956. That stockpile is steadily increasing, causing no emotional outbursts in editorial offices comparable with the storms caused by the farm surpluses.

One's view of the surpluses depends greatly on the perspective and the measurement used. At the end of 1955, the Commodity Credit Corporation held about one year's normal supply of wheat and of cotton, about one-fourth of a year's normal supply of corn and of cheese. The population of the United States increases at the rate of 1.8 per cent a year, and with employment high over-all consumption has increased. Indeed, one estimate in 1955 published by the Conference on Economic Progress, Washington, D.C., indicated that during three of the eight preceding years consumption exceeded production, while during five of the eight years production exceeded consumption. In 1950 and 1951, consumption of wheat exceeded production.

To others the "scandal" is not overproduction but underconsumption and maldistribution throughout the U.S. and the world. Early in 1956, the surplus commodities were valued at about \$70 per capita in the United States. Low-income families in the United States are reported to be unable to purchase liberal or adequate diets. These could be aided temporarily by some sort of a food stamp plan at the expense of the federal government.

Certain of those who point to rapid increases in the population of the world, and our limited farm acreage, think the surpluses may soon be needed. A great international emergency could turn the struggle over surpluses into a struggle over deficits.

### One Expert's Appraisal

Sherman E. Johnson of the staff of Agricultural Research Service, USDA, summed up aspects of the present situation in relation to projected needs in a talk, the text of which was published in *Soil Conservation*, Washington, June 1956. When looking ahead, he urged, we need to differentiate between the immediate future and the longer-term outlook. We do have more productive capacity than is needed by today's markets. Output in 1955 was nearly large "enough in volume to meet the projected needs of 1960. But we produced . . . too much of some products and too little of others to balance with potential needs in 1960." He continues:

Recent projections indicate that we may need about a 30 per cent increase in output during the next 20 years in order to meet market de-

mands at the end of that period. Barring unforeseen emergencies, very little of this increase will be needed in the next few years. And even in the latter part of the 20-year period, I see no reason for worry about 'food enough' under peacetime conditions. The more important questions will be how to gear production expansion to market prospects, and how to produce the needed products efficiently with returns to farmers comparable to [returns to] other groups.

Shifts in production will be needed to meet market demands in the years ahead. The most rapid growing points in the market are in the livestock and fruits and vegetables sectors. On the other hand, the outlook is distinctly bearish for wheat for food uses. And unless new markets are developed, cotton also is likely to continue to encounter adjustment problems.

### **Religious Leaders' Pronouncement**

A statement on "American Abundance and World Need," signed in 1955 by 88 American Jewish, Roman Catholic, and Protestant leaders, was prepared in part with reference to the abundant farm production in the United States.<sup>1</sup> The substance of it is given here, in excerpt and summary:

A vast endowment of natural resources, brilliant achievements in science and technology, a free society, and a dynamic economy have united to bring us to heights of material prosperity never before known to

---

1. Obtainable from Msgr. L. G. Ligutti, 3801 Grand Avenue, Des Moines, Iowa; Rabbi Eugene Lipman, 838 Fifth Avenue, New York 21, N.Y.; and C. Arild Olsen, 297 Fourth Avenue, New York 10, N.Y.

mankind. Both our natural resources and our human skills of hand and brain are the gifts of God. We are His creatures and stewards in His vineyard.

The abundance which is ours and the potential productivity within our grasp are at once blessings to be enjoyed and a trust to be administered in the name of God and in the service of mankind. . . .

In a moral universe, the continued prosperity of one nation can only be justified by its faithful and courageous efforts to make comparable abundance available to all nations.

These basic ethical considerations point toward certain goals which should be firm guides to national policies and programs.

In the domestic sphere, the appropriate goals are an expanding peacetime economy and equitable distribution of the national product.

In the international sphere, America's goal should be greatly expanded sharing of our material abundance, our technical skills and the dynamic spirit of a free society. This goal must be pursued in a genuine spirit of international friendship and good will.

Cooperation among economic groups is needed "for the following specific policies and programs":

Procedures to maintain full employment in industry and agriculture.

Industrial wage and farm-price policies "which will produce a just and equitable distribution of consumer purchasing power. . . ."

Programs to assure adequate and healthful diets for all Americans and for as many others as can be reached and served abroad.

"Expanded . . . technical assist-

ance in the fundamental work of world economic and social development."

Expansion of international trade.

Foreign economic aid on both an emergency and a long-time basis.

Complete separation of U.S. economic and technical aid from programs of military aid.

Full utilization of voluntary or non-governmental agencies in technical assistance abroad.

### **A Few Questions**

In church circles and elsewhere there have been discussions of the following questions:

By what means can the farmer best achieve controls over production in relation to effective demand, and attain price stability, and at the same time deal justly with consumers?

How much reliance should be placed on voluntary efforts, and how much on government agencies?

How shall consumers be encouraged to organize their interests and to assert them?

What specific international farm policies and programs should the churches support and encourage?

In what concrete way should the churches contribute to the further sharing of American skills with their neighbors overseas? (It is recognized that Christian missions have pioneered in rendering technical assistance.)

What is the appropriate role of the local churches in stimulating discussion of both goals and methods?

Should local churches take a special interest in the family-type farm? If so, how?

## **Commentaries . . .**

### **1. By Leland J. Gordon**

To understand the so-called farm problem one must consider the economics of farming. The production of such basic crops as wheat and cotton is carried on under conditions of unrestricted competition. No one farmer produces enough to influence total supply or price. Price is determined for him by forces beyond his control. If he can produce a bushel of wheat or a bale of cotton at less cost than the prevailing market price he makes a profit; but if his costs exceed the market price he incurs a loss. When producers of

automobiles overestimate the demand for cars they curtail supply. Why do not farmers do the same? The answer is that in contrast to the five producers of cars there are 1.3 million producers of wheat. If one automobile firm reduces output it has a measurable effect on total supply, but if one wheat farmer curtails his supply the effect is not noticeable in the market.

As the price of a commodity declines it is expected that producers will produce less, thereby bringing supply and demand into balance.

But as wheat prices decline farmers may increase output! Why do they respond in such an apparently unbusinesslike way?

### **Farmers' Special Problems**

If a farmer has a mortgage on his farm on which he must meet interest and principal payments or lose his farm, he may produce more wheat at a lower price, hoping to secure enough cash to meet his payments. This type of desperate effort to meet his commitments aggravates the whole problem by adding to total supply and depressing prices still further. The only agency big enough to help farmers plan their production quotas, as manufacturers plan, is the federal government. The various devices described by Dr. Landis all seek basically to curtail output.

As in other types of enterprise, there are good, fair, and poor farmers. Many of the first group do not need government aid, while many in the last fail to benefit by current support programs.

War is a hazard to many businesses, including farming. Having responded to wartime pleas to increase production, it is difficult to curtail when hostilities cease. In economic language, the supply is inelastic.

Many farmers are so specialized that they cannot diversify. Wheat is all they know how to produce. And in many areas that crop is the most profitable. So, regardless of price,

some farmers continue to add bushels or bales as long as they can.

Farming is more than a business; it is a way of life. A farm combines producing and consuming functions in a unique way. Traditionally, agriculture has been the backbone of the economy and the ruggedly individualist family farmer has been a conservative economic and political force.

### **"Parity"**

Let us consider briefly the concept of parity. A protective tariff cannot do for farmers what it can for manufacturers because the United States has been an exporter of cotton and wheat, not an importer. So, instead of seeking "to equalize costs of production here and abroad," parity seeks to equalize costs and selling prices as between the present and 1910-14. Those years were chosen because they were the most favorable for farmers. But ponder the implications of relating current prices to a period 40 years ago. Such a policy is much different from relating wages to a consumer price index based on the years 1947-49.

Consider also the suggestion that "price supports have been called the farmers' equivalent of minimum wage laws or collective bargaining." There is a vast difference between voluntary bargaining between an employer and representatives of the employees, and the politico-economic process which results in a parity price. There is a basic difference also between the concepts of price supports and minimum wages. Unorganized workers engaged in interstate commerce are legally en-

---

**Dr. Gordon is head of the Department of Economics at Denison University.**

titled to a minimum wage of one dollar an hour, but they have no assurance of employment. Under the free enterprise system enterprisers are expected to take the losses along with the profits, and to go out of

business if they cannot meet their commitments. But under a price support plan they are in effect guaranteed against loss. Beneficiaries of a minimum wage cannot earn a profit, but enterprisers can.

## 2. By Wesley A. Hotchkiss

Benson Landis has done us a great service in reducing the complex and voluminous factual data about the farm question to a few pages. The eternal problem of the Christian in society is to find a thread of justice and equity in the tangled skein of human affairs. Certainly the ethical problems of agricultural policy are some of the most tangled.

The church, and especially its rural contingent, has had a lot to say about the relevance of the faith to the vocation of agriculture. But the church has kept itself mainly to the more elemental and simple relationships of man to the land. It is fairly easy to make a case for soil conservation within the Jewish-Christian tradition. Man's responsibility for the natural resources is quite evident. There are other values in community life traditionally associated with agriculture which are supported by the Christian faith, such as mutual helpfulness, the virtue of work, honesty, industry, and truth.

As soon as the scope widens, however, to include the political and social dimension, the implication of the Christian faith is obscured in the complexity of the issues. It is easy to state the Christian case for

soil conservation, but what does the faith have to say of price supports which may in some instances discourage good soil practices? We, as churchmen, know that we have a responsibility to feed the hungry people of the world with our agricultural abundance, but what does our faith say about political considerations in the feeding of hungry people? Certainly the factual information which Dr. Landis has assembled is essential to an intelligent consideration of these questions.

The truth is, of course, that there is no direct line from the Christian faith to a single solution for highly complex ethical issues. Given man's "infinite capacity for self seeking," to quote Daniel Williams, all solutions are slightly suspect. But this does not relieve us from trying; it does not mean that we can leave the matter of production and price to the myth of a "free" market. We as Christians must continue to hammer out just solutions in the white heat of public discussion. The principles underlying such justice are

---

Dr. Hotchkiss is director of the Town and Country Department, Board of Home Missions of the Congregational Christian Churches.

well put in the statement "American Abundance and World Need" quoted by Dr. Landis in his article.

### **A Christian Approach**

Dr. Landis concludes his paper with some questions around which the churches could build their discussion on this subject. How would such discussion within the community of faith be distinguished from that in secular communities? Might the following be distinguishing qualities of the approach?

1. It would be marked by humility. The community of faith carries on its conversation in the fear of the Lord, knowing that whatever expression it gives to its faith will contain both good and evil. Nowhere is this better illustrated than in the conflicting interests embattled

in the American agricultural scene.

2. The community of faith does not necessarily find its truest expression *between* extreme views on any ethical question. The community may sometimes demonstrate greater fidelity to its own internal values by audacity than by prudence. The "golden mean" is also under the judgment of God.

3. The community of faith always distinguishes clearly between the "American way" and another "Way" which is associated in its heritage with Truth and Life. The American and the Christian Ways are not always identical. Perhaps recognition of this would enable the community of faith to see more clearly the Christian imperatives in the relationship of American agricultural surplus to world need.

---

## **A Living Wage?**

"From 1/3 to 1/2 of the female employees in the retail trades are paid at an hourly rate lower than the amount necessary to supply the basic needs of a single woman, let alone the needs of a family. . . .

"There has been a significant difference in the advance in wages of retail and of industrial workers. . . . In 1954 the average production worker in manufacturing received a paycheck 25 per cent larger than the retail employee.

"Only about 3 per cent of retail workers are covered by the federal minimum wage law, the so-called Fair Labor Standards Act. An estimated total of 1,600,000 retail employees are covered by state laws—under wage orders or statutory rates. . . .

"Employer organizations in the retail industry have consistently opposed the extension of the federal minimum to any section of retail trade. They have argued that this was a field for state rather than federal action. . . . In only 14 states was the attitude of organized trade groups found to be reasonably favorable to minimum wage legislation."

—From a recent study as summarized by the National Consumers League

## Research Foundation Takes a Look Ahead

*Mr. August Heckscher, who in January of this year assumed the directorship of the Twentieth Century Fund, has contributed a significant Foreword to the Fund's annual report for 1955. Mr. Heckscher had been an editor of The New York Herald Tribune. Portions of the Foreword are reproduced here.*

THE YEARS during which the Fund's work has been done have seen American capitalism undergoing a profound change. Contradictions which the Marxists had believed to be inherent and ultimately fatal have to a large extent been eliminated; endemic conflicts, as between capital and labor, have shown themselves capable of being tempered and compromised. The benefits of the system have been distributed so widely and on so vast a scale as to approach in a highly industrialized setting the twin blessings which the first Americans sought in the wilderness: equality and abundance.

This transformation of capitalism is graphically illustrated by the changing attitude in the United States toward leisure. Through the last century and well into the present one leisure was equated with idleness and its increase was generally held to be at odds with a successful and productive economic system. Today leisure is a part, an essential part, of such a system. It has been sanctioned as a goal, and the activities and pursuits it involves have become a recognized factor in the total functioning of the economy. This difference is one surface indication of a change so

deep that many have felt that some other word than capitalism, with its residual connotations, should be found to describe the modern American economy.

\* \* \*

Accompanying these economic changes over the past decades have been changes at the deepest level in the conditions of life. There have been marked alterations in the community which the modern citizen inhabits and in the qualities needed to inhabit it well. The scale of things with which the citizen must deal is new; and kinds of pressure and of choice have been imposed on him.

From the total context of this novelty three areas may be isolated for consideration.

1. *The Problem of Place.* At various levels the citizen no longer finds the real interests of his life corresponding with the physical areas in which his part is supposedly played. The units of needed social and economic authority do not necessarily coincide with the accepted units of government. On the local level the city has long since burst out of its old limits. Suburbia, and now exurbia, create fresh patterns of living

and conflicts of interest. The region similarly outruns the lines of the states; and, most significantly, a number of international communities outrun the nation-state.

There is today an international economic community, and an international defense community, both with wider boundaries than those within which the traditional attachments are confined. It is within these overlapping and often ill-defined communities, with their attendant strains and crisscrossings of emotion, that today's citizen must construct a satisfying existence.

2. *The Problem of Power.* As authority does not conform to the older spatial entities, so moral, political and economic power seeks out new forms, lodging itself in relatively unexamined groups and institutions. Such new forms of power, embodied in technological elites, impinge dramatically upon primitive cultures. This is clearly seen where efforts have been made through technical aid to raise the standard of living in hitherto underdeveloped countries; it will be seen even more nakedly when peaceful atomic power is put to the service of these countries. Novel resources will be superimposed upon cultures which in other respects remain at a comparatively simple stage: these will lack not only many underlying technological developments; more subtly they will lack the attitudes, the skills, the ways of acting and thinking which are instinctive to those cultures of which atomic energy is an ultimate expression.

What will be the effect upon those delicate balances which are the es-

sence of a viable civilization, as they are the essence of a mature human being? The answer concerns us as well as the underdeveloped countries. For we are all of us, in varying degrees, under the domination of powers which we have not yet learned to master or assimilate.

3. *The Problem of Purpose.* The capacity to produce seemingly without limit affords the contemporary citizen the luxury of a wide choice; it invites him to act with heightened moral awareness. The economic problem has historically been one of fending off the bitterest lacks. But the increasing rate of productivity brings new possibilities, new alternatives, into view; the choices between these wait to be made at different levels of the social and political order.

How much of the country's increased productivity over the coming decades (to cite a single example of choice) will be taken advantage of in the form of leisure? In the past . . . about one-third has been taken in shorter hours, the rest in added goods and services. As a people can we not now re-examine this hitherto unconscious decision, deciding whether this particular proportion is to hold? If so, to what end will the leisure be put? And what value will be served by the increased material wealth?

The capacity to produce seemingly without limit is counterbalanced by a comparable capacity to destroy without limit. Such circumstances should impose, at the very least, a mood of thoughtfulness about ourselves and our times.

\* \* \*

To emphasize in the second half of the twentieth century a consideration of ends and values seems for such a foundation as the Fund inherently right and indeed almost a matter of course. The years during which the great research foundations have done their work have seen the making of valuable surveys and the gathering of indispensable statistical information; collecting vast bodies

of facts has gone along with the mastery of the physical environment. Government agencies, moreover, have stepped in with their immense resources where private groups had pioneered. . . . An age that has been rich in material progress and the accumulation of factual knowledge cannot be said, thus far, to have made comparable advances in insight and understanding.

## Mr. Nixon Speaks to a Graduating Class

*Because many of the things Vice-President Nixon has said have given concern to people in both of the major parties it seems appropriate and desirable to print the following excerpts from his noteworthy commencement address at Lafayette College on June 7, 1956, as reproduced in The New York Times.*

**I**N A SENSE, we must deal with other nations with the tact, humility, and friendliness of missionaries.

Indeed, we could learn a great deal in our foreign relations by studying the attitudes and methods of the Christian missionaries who have won friends throughout the world.

They came to help the nations to which they were sent.

They learned their languages and customs.

By taking literally the truth that all men are brothers under God, they were accepted into families and homes of distant peoples.

Once we have this attitude, our task is to convince others that democracy and freedom and all the rights and privileges we hold sacred are better for them than is the Soviet way of life.

It is not enough to denounce or

expose communism. We must show that we have a better alternative.

We do not do this by parading our superior material standard of living.

It is the total pattern of life that must prevail—not merely one phase of it.

May I make one point clear at this time?

There is no question but that we have the better case to sell because basically we are on the right side, the side of freedom and justice, of belief in God—against the forces of slavery, injustice, and atheistic materialism.

Ours is the truly revolutionary dynamic idea. It is the communist idea which is repressive and reactionary.

How do we get our message across? I believe that often too much re-

liance is placed upon the effectiveness of bombarding the uncommitted countries with radio broadcasts, motion pictures, and press releases which present the American viewpoint.

These programs are important and necessary, but, in the long run, I believe there are others which are more effective.

\* \* \*

It is a fallacy that all you have to do to stop communism in Asia is to give every Asian a bowl of rice. It is an insult to a proud people.

Mrs. Nixon and I saw the tremendous effect of direct contact in visits we made to Asian countries. A smile, a handshake, a friendly greeting, a friendly word got the same reaction there as here in the United States.

And particularly we must appreciate the high place given to intellectual and spiritual values in many areas of the world. This places a tremendous responsibility upon our tourists and business visitors, upon the exporters of motion pictures and books, indeed, upon anyone who is likely to be taken as a representative of our way of life.

I was reading an article the other day that showed the importance of these attitudes. It concerned the great atomic scientist, Bruno Pontecorvo, who left Great Britain to devote his genius to Soviet atomic research. One of the important reasons for his defection, according to his colleagues, was the fact that he thought he would have more honor, prestige, and even greater freedom of research in the Soviet Union.

Likewise, many of the scientists who got caught in the Soviet espionage network in the United States, Canada, and Great Britain were partially influenced at least by the feeling that they were not sufficiently appreciated in the free world. The world of tomorrow belongs to the nations that lead in scientific research and technical skill. We shall pay a great price if we fall behind in this contest.

\* \* \*

If the present trend continues in the Soviet Union and in many satellite countries, it will be possible to meet broadly with these peoples, to exchange ideas, to compare our respective ways of life.

Many of my fellow Americans are rather skeptical about this new move. They suspect, with some justification, a hidden trick—possibly a device to make communism respectable and to discourage the peoples held in submission by Red armies.

I do not fully share this point of view. I think that the explosive power of freedom is greater than the combined effect of all the atomic and hydrogen weapons in the world today.

Whatever be the motives behind these new moves, I think that in the long run the cause of freedom will be served by breaking through the Iron Curtain wherever an opportunity is presented.

If people of different countries can meet even behind the Iron Curtain, no matter what their leaders may say, prejudices will melt away.

The task ahead of us is a task for all the American people, and not government alone.

# Labor-Management Relations in Germany

*We are indebted to World-Around Press for this interesting report by its correspondent on the scene.*

WEST GERMANY's controversial "Mitbestimmungsrecht," the law making labor a 50-50 partner in management of coal and steel industries, is proving to be the most successful piece of anti-communist legislation yet enacted by the Bonn Parliament. Labor delegates to coal and steel boards have teamed up with industry representatives to fight the Reds to a standstill.

Enacted in the early post-war period, the measure was immediately assailed by management as a "half-way house" to socialism and a "legal half-nelson on industry"; yet, today, the most relentless crackdown on communists comes from labor members on these joint boards which have staved off major strikes and held pay hikes to modest levels. Once appointed to the boards, labor officials have tended to identify themselves more with management than with labor—the reason being, presumably, that once they were given managerial responsibilities, labor members faced problems of which they had had no previous knowledge. At all events, labor, as a whole, claims that working conditions are substantially better in co-management plans than elsewhere. From the standpoint of industry, the chief gain has been the cessation of demands for nationalization and the Social Democrats have accepted co-management as a substitute for it.

## How It Works

Co-determination gives to the workers through their unions the right to name five members of the standard eleven-man board of directors in each of the forty coal, and twenty-nine iron and steel companies in West Germany. The five labor and five owner representatives then choose the eleventh member from a neutral group. Thus far, in ten of the 69 concerns a labor man has been elected chairman of the board.

The new system was first introduced in coal and steel in 1947; in 1952 it was extended to all German industry but with certain reservations so that labor, which enjoys a more or less equal voice in coal and steel, achieved only one-third voice in the remainder of the industries.

Under the 1952 law, labor representatives cast one third of the votes on management boards in plants employing more than 500 workers. In the middle echelon—plants employing between 100 and 500 workers—worker committees must be kept informed of all policy decisions, including profits, sales, and financing; must pass on all major undertakings; and have a voice in hiring and firing. In small shops with less than 20 employees, watchdog labor councils handle work contracts, employee welfare, grievances, and training.

## A Compromise Measure

This law, which was a compromise, has pleased neither industry nor labor, but the latter is not anxious to revise the measure nor to widen the scope of its managerial responsibility.

The greatest danger now—recognized by both labor and management—is that the conservative German Labor leadership may lose ground to militant left-wing elements. Labor, by participating in management, is forced to straddle the fence if not side with management.

ment, on many militant labor issues and this has given the communists an opening which they have moved very fast to exploit, charging that the conservative German Trade Union Federation leaders have "sold out" to industry.

It is to be borne in mind that should the German communists make deep inroads into the labor movement, they would then be able to name their own representatives to joint boards, with results easy to foresee, but for the moment this seems to be a very remote possibility.

## Arthur Miller and the Un-American Activities Committee

*Edward P. Morgan, whose news commentaries are carried by the ABC Network, devoted a good part of his broadcast on July 16 to the controversy between the playwright Arthur Miller and the House Un-American Activities Committee, which was seeking to have him cited for contempt of Congress. The major part of Mr. Morgan's comment is printed below.*

**I**N A LETTER which has received too little public attention, Miller wrote to the committee chairman, Representative Walter, Democrat of Pennsylvania, stating the reasons for his stand and asking the committee to reconsider its action. He failed to budge the committee but in his argument he produced a drama of an individual fighting to protect his convictions and his self-respect.

He produced too a picture of those so-called communist intellectual gatherings of the 40's; dreary, boring affairs they were, concerned

with Marxist dialectic, singularly devoid of the glamour of conspiratorial intrigue. Miller was never a communist but he took full responsibility for venturing to these meetings in his process—as he put it—of growing up, through the eras of depression and war, of maturing, of seeking values, answers to questions. He soon discovered the communists had nothing to give him. "What I sought to find from without," Miller wrote, "I subsequently learned must be created from within, namely a standard of values and a personal

vision of what is and what must come to be in society and in the world."

But, he went on, "it is that seeking, that kind of quest for ultimate truths which in itself is perhaps the core of my character.

"Thus, as I contemplate the act of naming these writers now I cannot escape a sense of casting a disfiguring ridicule upon my own actions in quest, actions done in good faith and issuing not in crime, but, in my opinion, in a heightened sensibility toward the values which must be preserved in a democratic society.

"I cannot confess another man," he wrote [and] ". . . I ask the committee where true respect lies in such a case, and where contempt; it is no news to the world that there are words of agreement and assent which, in truth, demean, and conscientious reservations which magnify the dignity of the state."

In this personal document, Congressman Walter had in his hands an opportunity to magnify the dignity of the state by recognizing that

the true growth of an individual in a free society is measured by a variety of experiences and experiments, many of them painful. Here was a testament of devastating damage to the cause of communism, and a needed reassurance in the values of freedom which, Miller said, permitted him to "expose my thoughts untrammeled and unhired."

He found, he said, that "I had no place in the Marxist scheme of things if only because it was inconceivable to me that a creative artist could or ought to be controlled by ideological requirements of any kind whatsoever."

Here for once the Un-American Activities Committee had produced or had in its way caused to be produced material more damaging to communism and nourishing to a democracy than anything that could be reasonably expected to follow the naming of a half a dozen confused "intellectuals" who read poems and stories to assess their Marxist content at a communist meeting a decade ago.

## A Highly Important Book

Corporation giving to philanthropic and educational enterprises has now become a considerable factor in their financing, and its possible—perhaps one should say probable—development on a large scale has raised both high hopes and serious misgivings. The pros and cons of the matter are frankly and instructively presented in a new book by Richard Eells, manager of Pub-

lic Relations Research at General Electric.<sup>1</sup>

Stimulated by the provision in the Internal Revenue Act which exempts from taxation corporation contributions to what the author calls "defined charitable agencies"

---

1. Corporation Giving in a Free Society. New York: Harper & Brothers 1956. \$3.50.

up to five per cent of net corporate income, such giving has grown rapidly, reaching in 1953 an estimated \$450 million. Mr. Eells wants and expects to see this figure greatly increased, and his main purpose is to state a sound philosophy of corporation giving and present a general pattern for its development.

The philosophy is expressed in the familiar terms of "enlightened self-interest," but the objectionable connotation of that term is removed by the statement that the goal sought is to "benefit the corporate donor through socially dimensioned contributions." The "pattern" is described as "a corporate effort to preserve a society of free men through contributions beyond the production of goods and services and the distribution of dividends. This means strengthening the private sectors of society, protecting the nuclei of private initiative, and avoiding a progressive absorption of private responsibilities into the mechanism of the State."

This concern for the "private sectors" is by no means a mere reflection of the uncritical "free enterprise" ideology of which one hears so much. Rather, it is based on ethical and political realism. Mr. Eells will have none of the current nihilism with respect to the "public sec-

tor": our basic public welfare programs, including social insurance, are here to stay. Nor has he any sympathy with such feverish efforts as those of the Reece Committee to find subversive tendencies in the great research foundations.

The legal basis for his thesis the author documents well, and he spells out in procedural terms the course he recommends to business corporations—to be pursued with the aid of tax exemption or, if necessary, without it. The goal is "a voluntary system of public accountability." The public relations task in relation to it is "one of achieving public acceptance through a coordinated effort to establish broad areas of agreement concerning the donor's program."

An obvious hazard in corporation giving is the adverse effect on the recipient of a business recession. Mr. Eells believes that, "given a sound prudential policy of giving, there should be no need for abrupt departures from the policy." Also, he deplores the tendency of corporate donors to shy away from appeals on behalf of any religious cause. "This trepidation," he says, "is comparable to the self-defeating fears about philanthropic work in the social sciences."

—F. E. J.

---

Many historical forces combine to make the relation of group to group the central issue of modern society. This issue takes different forms in different lands, but it besets them all. And in a special way it challenges the United States of America.

—ROBERT M. MACIVER, in *The More Perfect Union*

# WORKSHOP

Edited by  
Herman F. Reissig

## No Problems!

The question was asked, during panel discussion, by an able and conscientious minister. "Our church," he said, "is situated in a prosperous community where there seem to be no particularly serious problems. If we had a social action committee, what issues would you suggest we study?" This minister was not the first to ask the question. You get the picture: a pleasant, prosperous neighborhood; no slums, no racial problem, good schools, no invasion by saloons or gambling joints. Some personal problems, of course, but no bad social conditions. What in the world is there for a social action group to do?

In fairness, the answer ought to begin by recognizing a considerable degree of virtue in some of our American communities. If a community consists of decent, law-abiding men and women, good homes, good schools, without overt social antagonisms, that is something to be thankful for. One shouldn't wish for slums or racial difficulties just so a social action committee will have something to do! But the feeling that everything seems to be in pretty good shape and, therefore, we don't really need social action in our

church is, on second thought, one of the most disturbing commentaries on the kind of Christianity taught in some of our churches. It is, in fact, frightening. For one thing, it says that we have succumbed to the subtle temptations of prosperity and respectability. For the high demands of the Christian faith we have substituted the easy standards of conventional decency. The New Testament seems to say that in such a community the soul is in more danger—because the danger is less obvious—than in places where sin is flagrant and grossly menacing.

Two-thirds of the world is hungry—and "we have no problems!" Billions of dollars and immeasurable human energy are concentrated on perfecting instruments of mass murder—and "we have no problems!" Americans seem unable to build enough mental hospitals to care for the people who have serious psychological difficulties—and "we have no problems!" A few miles from the loveliest community anywhere are housing conditions that are a menace to physical and spiritual health—and "we have no problems!" In our country, if not in our immediate neighborhood, Negroes and white people look at each other with deep fear and resentment and American

freedoms, not to speak of Christian principles, are flagrantly violated—but “we have no problems!” In these lovely communities some very pleasant and well-intentioned people surround themselves with more and more of the conveniences and gadgets of comfortable living, as many as they can pay for or put on charge accounts, while millions of their fellowmen all over the world beg for food, medicine, education that they will never get—but “we have no problems!”

Has the Kingdom of God come, then, in these communities and in the earth? What have we been teaching about Christian love and divine righteousness and the demands of a just God, that some of us can think we are getting along quite well, thank you? As one minister said, seeing the fact of the matter even if he wasn’t going to do much about it, “My people are lovable pagans.” The first job of social action in such churches is to keep talking about cases of want and injustice until the comfortable, self-satisfied atmosphere is disturbed by the beginnings of contrition and the sense of responsibility. And the first job of the minister is to see the Lord of love “high and lifted up,” and help his people to see him, until the well-fed deacon and his well-dressed wife are ready to cry, “God be merciful to me, a sinner!”

### **Much Meaning in Few Words**

“The church’s aim should be to build up cells of true community-living as a means of humanizing the impersonal relationships of modern

large societies.” (The Lucknow Study Conference, 1952. Quoted by John Bennett in *The Christian As Citizen*.) This one-sentence statement would be a wonderful theme for a whole evening’s discussion. The question would be, “How can we make our church a cell of true community-living?” One way is to get church members working together on specific community needs. All such work can have as a valuable byproduct the building of a living fellowship which helps to counteract the baneful spiritual effects of our “mass society.”

### **They Proved Something!**

The minister of one of our churches in the South, reporting to the CSA how his church dealt with the draft resolutions prepared for the General Council, wrote something that deserves to be passed on. He said:

We took two and a half hours to discuss the whole report, most of it on the second section. [This dealt with race relations.] The majority of those who spoke to this issue were in agreement with the resolutions in principle. However, it is both obvious and understandable that to contemplate making a practical application of the ideals expressed therein is most difficult for them because they foresee many problems, both real and imaginary. If nothing else, our consideration of this resolution has proved that it is possible for a group of persons to have a rational and helpful discussion of this extremely difficult problem. For this I am very grateful.

Yes, it is possible! More and more churches are making the discovery.

How infinitely better than the timid avoidance of difficult problems, for fear of dissension in the church!

### **What Is "Church Work"?**

Mrs. Theodore O. Wedel, president of the General Department of United Church Women (NCC) has a good answer. She says: "We always have to fight the tendency to think that church work is something you do inside the four walls of the church. We must educate women to realize that Red Cross work, political activity, and other civic work is as much their responsibility as Christians as the more stereotyped church jobs." Thanks to Mrs. Wedel for a forthright statement of something that needs to be said over and over—and over again!

### **Have You Done This?**

Mary P. Huxford, chairman of the Social Action Committee, First Congregational Church, Pueblo, Colorado, thinks legislative seminars are valuable. She ought to know. The Pueblo Council of Churches presented a good one last January. From 1:30 in the afternoon of a Saturday until after dinner, fifty people talked about Christian concerns in the state legislative area. And look who was present: three members of the state legislature; two members of the city council; the district superintendent of schools; and representatives of the PTA, United Church Women, local public school teachers and principals, League of Women Voters, Ministers' Association, and other civic organizations. The seminar closed with an address by Shirley Greene on "The Chris-

tian Bases of Good Government." Initiated by the Social Action Committee of First Church (Jeffrey Hoy, minister), this seminar seems to have been a model of its kind. Write to Mrs. Huxford, 801 W. 24th St., Pueblo, for the full program and other information. Then do it in your community!

### **Around the World on a Dinner Plate**

I have on my desk a mimeographed booklet entitled "Around the World on a Dinner Plate, International Supper Festival" (Sponsored by Albany's International Center, March 23, 1956). The menu was made up of dishes from 16 countries, with each dish fully described on a separate page. Following the dinner, there were dance presentations from eight nations, all ending in square and round dancing for everybody. It looks to me as if such an affair could create a lot of goodwill. It does help to laugh and play together. If you want to try this, I think you could get a copy of the program from Mrs. Lloyd Stamp, 7 Woodbridge Rd., Delmar, N.Y.

### **Salute to Norwalk Methodists**

If I were the minister of a church with fairly good resources in numbers and ability I'm sure I would want to do something similar to what was done in the Norwalk, Connecticut, Methodist Church in the 1955-56 season. Having been asked to participate and being deeply impressed with the venture, I asked the Rev. Walter S. Ryan, minister

of education in the church, to write up a report. It's on my desk. It's a pity we can't publish the whole of it! In brief: Four Sunday evening programs, spaced a month apart. Seven-thirty, the interpretive hour; eight-thirty, worship and address; nine-thirty, coffee hour. In the interpretive hour, music, audio-visuals, students or guests from other lands. Informal but very carefully prepared. For the second hour, Norman Cousins, Ralph Sockman, Bishop Newell S. Booth, Herman F. Reissig. Attendance, around 250 at each meeting. Mr. Ryan says it's no excuse to say, "We do not have the resources." You have to work and you have to borrow some equipment, but almost any fairly strong church can do it. Frankly, I thought it was a whale of a series. If you are really interested, you may get from the editor of *WORKSHOP* Mr. Ryan's detailed report on how it was done. The general theme: "The Christian Witness in a Revolutionary World."

### **And in Oregon**

That excellent leader, Julian Keiser, sends along a copy of program of an "Inter-Church Community Conference on World Order" sponsored by the Salem Council of Churches. To lead in the discussion of many aspects of the world situation they brought in college professors, a supreme court justice, the state librarian, and others. One would like to have heard Mr. Hitchcock, a former state senator, talk on the arresting subject, "A Foreign

Policy a Church Could Endorse." Mr. Keiser says they planned to duplicate the impressive program in his own church, First Congregational. Some churches are doing such really splendid work in international relations, as well as in other areas, that one hardly dares contemplate what would happen if all churches recognized their responsibility.

### **And in Barrington, R.I.**

Now, here's a good idea. The committee in this church prepared a neat four-page mimeographed folder which was inserted in the Sunday morning calendar. It was headed, "Your Social Action Committee Asks for Your Suggestions." First, the names of committee members are given. Then, some account of the work done. Then, a long list of questions and suggestions for checking. They received a pageful of suggestions from one member of the church. However you do it, keep reminding the congregation that your committee is there! Thanks to Bill Richardson for sending us the material. The minister of the Barrington Congregational Church is Wells B. Grogan.

*Workshop* is reprinted from  
SOCIAL ACTION magazine for  
distribution to social action  
committee members and others  
in Congregational Christian  
churches by the:

Council for Social Action  
289 Fourth Avenue  
New York 10, N.Y.

# **Announcing —**

**The new CSA Packet on**

## **RACIAL INTEGRATION IN THE CHURCHES AND IN HOUSING**

Suggestions, outlines, and resources for three vital programs on the most crucial aspects of race relations in the United States. Produced by Galen R. Weaver and Fern Babcock.

**PURPOSE:** This Packet is designed for those who seek ways of eliminating racial segregation in housing and who work for racial integration in the church.

**CONTENTS:** The Packet contains resource booklets, Bible study material, worship resources, and program leaflets which suggest a variety of ideas for a church meeting on each of these topics:

1. What Is God's Will for Race Relations?
2. Racial Integration in the Churches.
3. Racial Integration in Housing.

**PRICE:** \$1.00 prepaid; \$1.00 plus postage if billed.

**Order today from**

**COUNCIL FOR SOCIAL ACTION**  
289 Fourth Avenue  
New York 10, N. Y.